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**REDACTED - FOR PUBLIC INSPECTION**

June 27, 2014

**VIA HAND DELIVERY AND ELECTRONIC FILING**

Marlene H. Dortch  
Federal Communications Commission  
Office of the Secretary  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

**ACCEPTED/FILED**  
**JUN 27 2014**

Federal Communications Commission  
Office of the Secretary

Re: *In the Matter of Applications of Comcast Corp. and Time Warner Cable Inc.  
for Consent to Transfer Control of Licenses and Authorizations*, MB Docket No. 14-57  
**REDACTED - FOR PUBLIC INSPECTION**

Dear Ms. Dortch:

Pursuant to the Joint Protective Order in this proceeding,<sup>1</sup> Comcast Corporation, Time Warner Cable Inc., and Charter Communications, Inc. hereby submit the enclosed redacted letter containing Confidential Information. The [ ] symbols denote where Confidential Information has been redacted. The Confidential version of this letter is being filed under separate cover and will be made available for inspection pursuant to the terms of the Joint Protective Order.

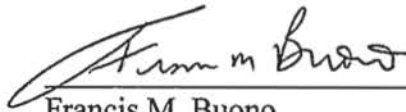
Please contact the undersigned should you have any questions regarding this matter.

<sup>1</sup> *Applications of Comcast Corp. and Time Warner Cable Inc. for Consent to Assign or Transfer Control of Licenses and Authorizations*, MB Docket No. 14-57, Joint Protective Order, 29 FCC Rcd. 3688 (Apr. 4, 2014) ("Joint Protective Order").

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Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Francis M. Buono", is written over a horizontal line.

Francis M. Buono  
*Counsel for Comcast Corporation*

Enclosures

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Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

Federal Communications Commission  
Office of the Secretary

**Re: *In the Matter of Applications of Comcast Corp. and Time Warner Cable Inc.  
for Consent to Transfer Control of Licenses and Authorizations,  
MB Docket No. 14-57***

Dear Ms. Dortch:

On June 24, 2014, Comcast Corporation ("Comcast"), Time Warner Cable Inc. ("TWC"), and Charter Communications, Inc. ("Charter") (collectively, the "parties") submitted a letter in the above-captioned proceeding to provide additional data and information to the Commission about Comcast, Charter, SpinCo, and Bright House Networks ("BHN") following the Comcast-TWC Transaction and the "Divestiture Transactions" between Comcast and Charter.<sup>1</sup> At the request of Commission staff, below the parties provide additional detail on two of the issues addressed in the June 24 Letter: (1) subscriber and homes passed data; and (2) broadband share data. We also provide updated calculations of Comcast's broadband shares based on the most recent Internet Access Services Report that was released earlier this week by the Commission.

**1. Subscriber and Homes Passed Data**

In the June 24 Letter, the parties provided data detailing video, broadband, and voice customers, as well as total homes passed. Comcast's and SpinCo's customer numbers included in that letter combined residential and commercial totals, because that is how Comcast has always publicly reported those numbers to the SEC and elsewhere, whereas the customer totals for TWC, Charter, and BHN were residential-only. At the request of Commission staff, the parties provide in each chart below additional detail that breaks out the number of residential and commercial customers and homes passed for all parties.<sup>2</sup>

<sup>1</sup> Letter from Kathryn A. Zachem, Comcast, et al., to Marlene H. Dortch, FCC, MB Docket No. 14-57 (June 24, 2014) ("June 24 Letter").

<sup>2</sup> All data in this letter regarding Comcast, SpinCo, Charter, and BHN are as of March 31, 2014. All data in this letter regarding TWC are as of April 17, 2014. Also, the methodologies the parties used for breaking out residential vs. commercial homes passed are unique to each company and may reflect different assumptions, subjective field assessments, and the like, but on the whole present a responsive snapshot for the Commission.



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<b>COMCAST AND TWC</b>								
	<b>Comcast Current</b>		<b>TWC Current</b>		<b>Post-TWC Transaction (i.e., Comcast + TWC without divestitures)</b>		<b>Post-Divestiture Transactions</b>	
	<i>Residential</i>	<i>Commercial</i>	<i>Residential</i>	<i>Commercial</i>	<i>Residential</i>	<i>Commercial</i>	<i>Residential</i>	<i>Commercial</i>
<b>Video Customers</b>	21.8 million	0.8 million	11.1 million	0.2 million	32.9 million	1.0 million	29.1 million	0.9 million
<b>Fixed Broadband Customers</b>	19.7 million	1.4 million	11.4 million	0.5 million	31.1 million	1.9 million	27.9 million	1.7 million
<b>Voice Customers</b>	10.0 million	0.8 million	5.0 million	0.3 million	15.0 million	1.1 million	13.4 million	1.0 million
<b>Homes Passed<sup>3</sup></b>	[[ ]] million	[[ ]] million	[[ ]] million	[[ ]] million <sup>4</sup>	[[ ]] million	[[ ]] million	[[ ]] million	[[ ]] million

<sup>3</sup> Comcast does not utilize a centralized or standardized methodology for determining residential or commercial “homes” passed. Rather, each market maintains its own database that contains each address in the market, and the market then assigns codes to each address designating it as a residence, apartment building, hotel, commercial property, etc. In addition, the number of “homes passed” in the above chart does not necessarily reflect all of the buildings (residential and commercial) in each of Comcast’s service areas; it reflects the number of buildings that are serviceable from Comcast’s existing plant. More specifically, the commercial “homes” passed figure only tracks commercial units that Comcast actually passes in its footprint, not the total number of commercial units in Comcast’s footprint (many of which Comcast does not pass today). There thus could be a discrepancy between the “homes passed” figure in the above chart and the total number of buildings in the service footprint, and that difference is likely to be far more significant on the commercial side than the residential side.

<sup>4</sup> TWC’s residential homes passed figure estimates “dwellings,” so it could include some home businesses. TWC does not separately track “commercial passings.” Rather, it uses a variety of data, including Dun & Bradstreet and USPS information, as well as its own historical billing data, to estimate the number of “serviceable businesses” in its footprint.

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<b>CHARTER<sup>5</sup></b>				
	<b>Current</b>		<b>Post-Divestiture Transactions</b>	
	<i>Residential</i>	<i>Commercial</i>	<i>Residential</i>	<i>Commercial</i>
<b>Video Customers</b>	4.2 million	0.2 million	5.6 million	0.1 million
<b>Fixed Broadband Customers</b>	4.5 million	0.3 million	5.5 million	0.3 million
<b>Voice Customers</b>	2.3 million	0.2 million	2.8 million	0.2 million
<b>Homes Passed</b>	[[ ]] million	[[ ]] million	[[ ]] million	[[ ]] million

<b>SPINCO</b>		
	<b>Post-Divestiture Transactions</b>	
	<i>Residential</i>	<i>Commercial</i>
<b>Video Customers</b>	2.4 million	0.1 million
<b>Fixed Broadband Customers</b>	2.1 million	0.2 million
<b>Voice Customers</b>	1.1 million	0.1 million
<b>Homes Passed</b>	[[ ]] million	[[ ]] million

<sup>5</sup> Current Charter customers and homes passed are based on Charter's reporting methodology; the gains from TWC as a result of the Divestiture Transactions are based on TWC's reporting methodology, where there are small definitional differences, including for commercial video customers. Charter's reporting methodology for commercial video customers is calculated on an equivalent bulk unit ("EBU") basis. EBUs are calculated by dividing the bulk price charged to accounts in an area by the published rate charged to non-bulk residential customers in that market for the comparable tier of service. Charter's homes passed figures are estimated based on residential billing records and third-party estimates of businesses located within a specified radius of its plant. For purposes of calculating the post-Divestiture Transactions totals, the breakout between Charter's divested and retained homes passed was based on billing records for residential, while commercial passings were split pro rata based on commercial customers.

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As the parties previously explained, neither the *pro forma* transfer of TWC's indirect legal interest in BHN from TWC to Comcast nor the provision of certain services by Comcast to BHN post-transaction should give rise to the inclusion of BHN's customers when considering Comcast's post-transaction share in any relevant market.<sup>6</sup> The parties nonetheless provided data regarding BHN's residential customers and total homes passed. The chart below provides more detailed information that identifies BHN's residential and commercial customers and homes passed.

BRIGHT HOUSE NETWORKS POST-DIVESTITURE TRANSACTIONS		
	<i>Residential</i>	<i>Commercial</i>
<b>Video Customers</b>	2.1 million	35,000
<b>Fixed Broadband Customers</b>	1.9 million	109,000
<b>Voice Customers</b>	1.1 million	67,000
<b>Homes Passed</b>	[[ ]] million	[[ ]]

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<sup>6</sup> June 24 Letter at 9-12.



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## 2. Broadband Share Data

On June 25, 2014, the Commission released its latest Internet Access Services Report,<sup>7</sup> which provides total national broadband data as of June 2013. In prior filings, Comcast has presented broadband share calculations prepared by Dr. Mark Israel and his team at Compass Lexecon, which were necessarily based on FCC data as of December 2012.<sup>8</sup> In the table below, Dr. Israel and Compass Lexecon have updated each of the broadband share calculations using this new June 2013 data (and based on the corresponding Form 477 data as of June 2013 from Comcast, TWC, and Charter, as applicable). For ease of reference, the data as of December 2012 and June 2013 are presented in full below.

Comcast's National Broadband Shares for at Least 3 Mbps/768 Kbps								
	Comcast alone		Post-TWC Transaction (before any subscriber divestitures)		Post-TWC Transaction (assuming 3 million subscriber divestitures) <sup>9</sup>		Post-Divestiture Transactions (including 3.9 million subscriber divestitures) <sup>10</sup>	
Timeframe	Fixed Broadband Only	Fixed and Mobile Broadband	Fixed Broadband Only	Fixed and Mobile Broadband	Fixed Broadband Only	Fixed and Mobile Broadband	Fixed Broadband Only	Fixed and Mobile Broadband
As of December 2012	[[ ]]%	[[ ]]%	42.7%	21.5%	39.5%	19.9%	37.1%	18.6%
As of June 2013	[[ ]]%	[[ ]]%	40.7%	17.5%	37.7%	16.2%	35.5%	15.3%

Sources: FCC Form 477 data (December 2012 & June 2013); FCC IAS Report (December 2013) (reporting data from December 2012); FCC IAS Report (June 2014) (reporting data from June 2013).

<sup>7</sup> Indus. Analysis & Tech. Div., Wireline Competition Bureau, FCC, Internet Access Services: Status as of June 30, 2013 (June 2014), available at [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2014/db0625/DOC-327829A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2014/db0625/DOC-327829A1.pdf).

<sup>8</sup> See Applications and Public Interest Statement of Comcast Corp. and Time Warner Cable Inc., MB Docket No. 14-57 (Apr. 8, 2014), Exhibit 6, Declaration of Dr. Mark A. Israel, Table 1 ("Israel Decl."); June 24 Letter at 6.

<sup>9</sup> This calculation (as of December 2012) is the calculation presented by Dr. Israel in his April 8, 2014 declaration. Israel Decl. at 32 & Table 1. As noted therein, the assumed divestitures of three million TWC subscribers are reduced to below three million in proportion to the percentage of TWC subscribers at or above speeds of 3 Mbps/downstream and 768 Kbps/upstream across TWC's footprint. See *id.*, Table 1, Notes. This same methodology is applied to the calculation as of June 2013.

<sup>10</sup> This calculation (as of December 2012) is the calculation presented in the parties' June 24 Letter. See June 24 Letter at 6. The 3.9 million net subscriber divestitures are reduced to below 3.9 million in proportion to the percentage of each applicable party's subscribers at or above speeds of 3 Mbps/downstream and 768 Kbps/upstream in each relevant geographic area. This same methodology is applied to the calculation as of June 2013.

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Kindly direct any questions regarding this data to the undersigned.<sup>11</sup>

Respectfully submitted,

/s/ Kathryn A. Zachem

Senior Vice President,  
Regulatory and State  
Legislative Affairs  
Comcast Corporation

/s/ Catherine Bohigian

Executive Vice President,  
Government Affairs  
Charter Communications, Inc.

/s/ Steven Teplitz

Senior Vice President,  
Government Relations  
Time Warner Cable Inc.

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<sup>11</sup> As Applicants in the proceedings in the above-captioned docket, the parties are providing the data and information above in the form of this joint letter for the sake of efficiency. Data and information specific to a party is sourced from the relevant party.